

**Assembly Bill No. 1943**

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Passed the Assembly August 21, 2014

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*Chief Clerk of the Assembly*

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Passed the Senate August 19, 2014

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*Secretary of the Senate*

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This bill was received by the Governor this \_\_\_\_\_ day  
of \_\_\_\_\_, 2014, at \_\_\_\_\_ o'clock \_\_\_\_M.

\_\_\_\_\_  
*Private Secretary of the Governor*

## CHAPTER \_\_\_\_\_

An act to amend Section 3 of Chapter 1086 of the Statutes of 1970, relating to tidelands and submerged lands of the City of Eureka, and making an appropriation therefor.

## LEGISLATIVE COUNSEL'S DIGEST

AB 1943, Chesbro. Tidelands: City of Eureka.

Existing law grants to the City of Eureka all the right, title, and interest of the state in and to certain tidelands and submerged lands located in Humboldt Bay in trust for certain purposes. Existing law requires the City of Eureka to establish the Humboldt Bay Fund and to deposit in the fund all moneys received directly from, or indirectly attributable to, those trust lands.

Existing law requires the City of Eureka, prior to June 30 of each year, to pay to the Controller a specified amount of the money deposited by the city into the Humboldt Bay Fund during the preceding fiscal year in lieu of all obligations incurred by the city, as specified. Existing law requires that the city submit to the commission, on or before September 30 of each year for the preceding fiscal year, an annual statement of financial condition and operations.

This bill would instead require that the annual statement of financial condition and operations be submitted to the commission on or before December 31 of each year for the preceding fiscal year.

Existing law, the Kapiloff Land Bank Act, creates the Land Bank Fund, and continuously appropriates moneys in the fund, subject to a statutory trust, to the State Lands Commission, acting as the Land Bank Trustee, to acquire real property or any interest in real property for the purposes of public trust title settlements.

This bill would delete the requirement that the City of Eureka pay to the Controller a specified amount of the money deposited by the city into the Humboldt Bay Fund during the preceding fiscal year and would instead require, on June 30, 2015, and at the end of every fiscal year thereafter, that 4% of all gross revenues generated from the trust lands be transmitted to the commission

and deposited in the Land Bank Fund for expenditure by the commission pursuant to the act, thereby making an appropriation.

Appropriation: yes.

*The people of the State of California do enact as follows:*

SECTION 1. Section 3 of Chapter 1086 of the Statutes of 1970, as amended by Section 1 of Chapter 1068 of the Statutes of 1982, is amended to read:

Sec. 3. (a) The city shall establish the Humboldt Bay Fund in the manner as may be approved by the State Lands Commission, and the city shall deposit therein all moneys received directly from, or indirectly attributable to, the tide and submerged lands granted to the city. An annual statement of financial condition and operations, to conform with those requirements as the State Lands Commission may prescribe, shall be submitted to the State Lands Commission by the city on or before December 31 of each year for the preceding fiscal year. In furtherance of its management and administration over granted tide and submerged lands, the State Lands Commission shall audit, or cause to be audited, the operations and all books and records of the city. Further, the city shall prepare and submit to the State Lands Commission, for its review and approval, an annual budget with respect to all revenues and expenditures regarding tide and submerged lands granted to the city. All moneys received from the Controller pursuant to Section 18 of this act shall be deposited in the Humboldt Bay Fund and may be used by the city for the purposes for which revenues accruing from or out of the use of the granted tidelands may be used pursuant to the provisions of this act.

(b) On June 30, 2015, and at the end of every fiscal year thereafter, 4 percent of all gross revenue generated from the trust lands described in subdivision (a) shall be transmitted to the State Lands Commission and deposited in the Kapiloff Land Bank Fund for expenditure by the commission pursuant to Division 7 (commencing with Section 8600) of the Public Resources Code for management of the commission's granted lands program.

Approved \_\_\_\_\_, 2014

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*Governor*